STATE OF ARIZONA FILED

APR 3 0 2014

# **DEPT OF INSURANCE**

DEPARTMENT OF INSURANCE

STATE OF ARIZONA

In the Matter of:

**BOUDREAUX, JERROLD DWAYNE** (Arizona License Number 94578) (National Producer Number 6731874) and **BOUDREAUXS ARIZONA INSURANCE SERVICES** (Arizona License Number 180696)

No. 14A-<sub>057</sub>-INS **CONSENT ORDER** 

Respondents.

The State of Arizona Department of Insurance ("Department") has received evidence that Jerrold Dwayne Boudreaux and Boudreauxs Arizona Insurance Services ("Respondents") violated provisions of Title 20, Arizona Revised Statutes. Respondents wish to resolve this matter without the commencement of formal proceedings, and admit the following Findings of Fact are true and consent to entry of the following Conclusions of Law and Order.

### FINDINGS OF FACT

- 1. Jerrold Dwayne Boudreaux ("Boudreaux") is, and was at all material times licensed as an Arizona resident property, casualty, accident/health and life insurance producer, license number 94578, which expired on October 31, 2013.
- 2. Boudreaux's addresses of record are: c/o Boudreauxs Arizona Insurance Services, 393 Warner Rd #117, Chandler, Arizona 85225 (business and mailing), and 1819 W. Summerside Rd, Phoenix, Arizona 85041 (residence).

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- 3. Boudreauxs Arizona Insurance Services is, and was at all material times, licensed as an Arizona resident property, casualty, accident/health and life insurance producer, license number 180696, which expires on July 31, 2014. Boudreaux is the Managing Partner and Designated Responsible Licensed Producer ("DRLP") for Boudreauxs Arizona Insurance Services.
- 4. Boudreauxs Arizona Insurance Services' address of record is: 393 W. Warner Rd #117, Chandler, Arizona 85225 (business and mailing).
- 5. On or about October 31, 2013, Boudreaux's Arizona license number 94578 expired leaving Boudreauxs Arizona Insurance Services without a DRLP.
- 6. On or about December 11, 2012, Yi Tang ("Tang") gave Respondents check number 2045 in the amount of \$1,783.00 for premium on a commercial general liability insurance policy (policy number 680-9A531948) with Travelers Insurance Company ("Travelers"). Respondents failed to remit the premium to Travelers and provided Tang with a fraudulent certificate of insurance. Travelers has since issued the policy retroactively.
- 7. On or about March 5, 2013, Shawn Hawkins' ("Hawkins") mortgage company, SunTrust Mortgage ("SunTrust"), gave Respondents check number 0000731189 in the amount of \$2,041.00 for premium on a commercial general liability insurance policy (policy number 680-5935X156) with Travelers. Respondents only made partial payments on the policy to Travelers in the amount of \$982.50 and failed to remit the remaining \$1,058.50. Travelers canceled the policy for non-payment of premium. Travelers has since covered the shortage and reinstated the policy.
- 8. On or about January 9, 2013, Maria Molina ("Molina") and Eugenio Serrano ("Serrano") gave Respondents check number 3498 in the amount of \$717.00 for premium on a

flood insurance policy (policy number 8704743432013) with Travelers. Respondents failed to remit the premium to Travelers.

- 9. On or about October 25, 2012, Louis and Sandra Russell ("Russell's") gave Respondents check number 1416 in the amount of \$1,050.00 for premium on a commercial liability insurance policy (policy number 680-004C237887) with Travelers. Respondents failed to remit the premium to Travelers and provided the Russell's with a fraudulent certificate of insurance.
- 10. On or about June 28, 2011 and June 18, 2012, Jolie Jessie ("Jessie") of Scrap Sistaz, gave Respondents check number 1372 in the amount of \$300.00 and check number 1252 in the amount of \$300.00, consecutively, for premium on two commercial general liability insurance policies (policy numbers 59SB1215UH and 59SB1215UH-02) with The Hartford Insurance Company ("Hartford"). Respondents failed to remit the premium to Hartford and provided Jessie with a fraudulent certificate of insurance.

### **CONCLUSIONS OF LAW**

- 1. The Director has jurisdiction over this matter.
- 2. Boudreauxs Arizona Insurance Services' conduct, as described above, constitutes failing to have a designated and individually licensed insurance producer who is responsible for the business entity's compliance with the insurance laws of this state, within the meaning of A.R.S. § 20-285(C)(3).
- 2. Respondents' conduct, as described above, constitutes improperly withholding, misappropriating or converting any monies or property received in the course of doing insurance business within the meaning of A.R.S.§ 20-295(A)(4).

- 3. Respondents' conduct as described above constitutes intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance, within the meaning of A.R.S.§ 20-295(A)(5).
- 4. Respondents' conduct as described above, constitutes using fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state, within the meaning or A.R.S. § 20-295 (A)(8).
- 5. Grounds exist for the Director to suspend, revoke, or refuse to renew Respondents' insurance licenses, impose a civil penalty and/or order restitution pursuant to A.R.S. §§ 20-295(A), (B) and (F).

### **ORDER**

## IT IS HEREBY ORDERED THAT:

- 1. Boudreauxs Arizona Insurance Services, Arizona License number 180696, is revoked effective immediately upon entry of this Order.
- 2. Respondents shall immediately make restitution to Travelers in the amount of \$2,841.50 (\$1,783.00 for the Tang policy and \$1,058.50 for the Hawkins policy).
- 3. Respondents shall immediately make restitution to Molina and Serrano in the amount of \$717.00.
- 4. Respondents shall immediately make restitution to the Russell's in the amount of \$1,050.00.
- 5. Respondents shall immediately make restitution to Jessie in the amount of \$600.00.

- 6. Respondents shall immediately make restitution to any other heretofore undiscovered victims.
- 7. Respondents are jointly and severally responsible for payment of the restitution to all of the victims.

DATED AND EFFECTIVE this 30th day of April , 2014.

GERMAINE L. MARKS Director of Insurance

## **CONSENT TO ORDER**

- Respondents have reviewed the foregoing Findings of Fact, Conclusions of Law and Order.
- Respondents admit the jurisdiction of the Director of Insurance, State of Arizona, and admit the foregoing Findings of Fact and consent to the entry of the foregoing Conclusions of Law and Order.
- 3. Respondents are aware of their right to notice and a hearing at which they may be represented by counsel, present evidence and examine witnesses. Respondents irrevocably waive their right to such notice and hearing and to any court appeals relating to this Consent Order.
- 4. Respondents state that no promise of any kind or nature whatsoever, except as expressly contained in this Consent Order, was made to them to induce them to enter into this Consent Order and that they have entered into this Consent Order voluntarily.

Director is solely to settle this matter against them and does not preclude any other agency, officer, or subdivision of this state including the Department from instituting civil or criminal proceedings as may be appropriate now or in the future. Respondents acknowledge that this Consent Order is an administrative action that the Department will report to the National Association of Insurance Commissioners (NAIC) and that they may have to report this administrative action on any future licensing applications either to the Department or other states' Departments of Insurance. Jerrold Dwayne Boudreaux represents that he is Managing Partner of Boudreauxs Arizona Insurance Services, and as such is authorized to enter into this Consent errold Dwayne Boudreaux, License No. 94578 Boudreauxs Arizona Insurance Services, License No. errold Dwayne Boudreaux, Owner/Operator

COPIES of the foregoing mailed/delivered

Jerrold Dwayne Boudreaux

Boudreauxs Arizona Insurance Services

2019 East Gwen St.

Phoenix, AZ 85042 Respondent

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